GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA

UNSTARRED QUESTION NO:3367
ANSWERED ON:19.08.2004
FINANCIAL ASSISTANCE TO BOGUS NGOs
Shakya Shri Raghuraj Singh

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether CAPART has provided financial assistance to the Bogus/Fake NGOs during the year 1997 to 2002 in Haryana state;

(b) if so, the details thereof alongwith the amount sanctioned, released and utilized NGO-wise and project-wise;

(c) whether any investigation has been conducted by CAPART of these NGOs before and after funding these NGOs under different schemes;

(d) if so, the outcome of the investigation in this regard;

(e) whether any action has been taken/proposed to be taken against CAPART officers who involved in processing, approval, sanctioning and release of funds to these bogus NGOs;

(f) if so, the details thereof; and

g) if not, the reasons therefor?

Answer

MINISTER OF STATE FOR RURAL DEVELOPMENT (SHRI A. NARENDRA)

(a) CAPART has provided financial assistance to 91 NGOs in the State of Haryana during 1997 to 2002 out of which 6 NGOs were later found to be bogus/fake and have been blacklisted.

(b) The details are given in Annexure.

(c) & (d) Yes Sir. Project proposals received from the voluntary organizations are sanctioned by CAPART after an appraisal both of the project and working of the organization. Sanctioned funds are released in instalments as per the progress made & after a due assessment of the physical progress reported.

On receipt of a complaint, comprehensive evaluation of the 6 NGOs mentioned in the Annexure was carried out by a joint team of empanelled monitors and CAPART officials in early January 2003.

All the six organizations were found to be managed by proxy, by an individual, namely, Shri S.K. Jain of Bansogate, Chaura Bazar, Karnal. The report established mis-appropriation of funds/manipulation of records by these organizations in connivance with the CAPART officials working in the Regional Centre. The team suggested the blacklisting of all the organizations and recovery of assistance extended to them. All the six organizations have been blacklisted and criminal cases filed with the Haryana Police against them. Initially the wife of Shri S.K. Jain was arrested on 27.2.2004 and Shri S.K.Jain and his son were declared proclaimed offenders by Haryana Police. Shri S.K. Jain and his son surrendered on 25.3.2004 and they are under judicial custody till date. The wife of Shri S.K. Jain was released on bail on 27.3.2004.

(e) & (f) Yes sir. CAPART has already initiated disciplinary action for imposition of major penalty under Rule 14 of CCS (CCA) Rules 1965 against 2 CAPART officers, who prima facie appear to be involved in processing, sanctioning and release of funds to these six Voluntary Organisations.

(g) In view of reply to part (e & f) above, the question does not arise.